Good Afternoon Secretary Johanns

It is an honor and a privilege to be able to speak to you today.

Thank you for coming to our state of Washington

I am Jerry Scheele,

Retired farmer, grew up on the farm, operated 44 years active as a business

Chairman, Spokane County Conservation District Board of Supervisors

- 11 years as a board member and a few years on a citizen advisory committee
- Our district is very active with many programs and has a several million dollar budget
- I have been involved with many programs over the years so I am familiar with a lot of conservation issues.

Co-Chairman, Farm Bill Policy Committee, Washington Association of Conservation Districts

- This committee is active statewide and seeks input from the conservation districts and local work groups regarding farm program issues.
- This committee will submit more comments to you before the end of the year regarding this farm bill.

President, Upper Columbia RC&D Council

- It is struggling, but starting to recover from earlier problems
- We intend on playing an important part of rural economic development and partnerships with Conservation Districts, county and small city governments

Some of my concerns regarding the 2007 Farm Bill related to subsidy programs and conservation are as follows:

- First, I applaud you for proposing to reform US ag policy by offering dramatic cuts in trade-distorting subsidies.
- If American agriculture loses this type of subsidy, there needs to be strategies for this transition from commodity subsidies, some of which

would be utilizing conservation program "green payments" that comply with or meet the scrutiny of the Doha round of trade liberalization. There needs to be more of a safety net in place in this new farm bill to aid our family farms and ranches in a world market situation.

- Existing programs that are perpetually under-funded have a huge backlog of farmers wanting to participate. These conservation programs need to be fully funded to provide this safety net, which will benefit all working lands. American agriculture seems to be on a limb that is being sawed off when all programs are being cut. The FSA and NRCS field offices need to be funded at a level to take care of the backlog of signups.
- The Conservation Security Program was to be an entitlement program for working farms and ranches without any spending caps that would reward producers that use resource-conserving methods
 - CSP will come to an end after only two signups, unless funding is restored
 - This is a form of government farm support funding that could survive the Doha round of WTO. This would comply with our trade agreements by supporting expanded environmental benefits – not increased production
 - Washington State depends heavily on export markets, which in turn helps the balance of trade.
 - Washington Association of Conservation Districts FB Policy committee has submitted comments to the Department re:CSP

By helping farmers and ranchers meet increasing environmental demands, we will all benefit and will build public support for future investments in the environment and agriculture.

Jerry Scheele, Chairman Spokane County Conservation District Spokane, WA

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